GOVERNMENT OF INDIA
STEEL
LOK SABHA

STARRED QUESTION NO:431
ANSWERED ON:17.04.2001
BAILING OUT SAIL FROM LOSSES
THAAWAR CHAND GEHLOT

Will the Minister of STEEL be pleased to state:

(a) the amount proposed to be provided under the package announced by the Government to bail out the Stele Authority of India Limited from losses;

(b) whether the SAIL has been able to come out of the losses after this announcement;

(c) if so, the details thereof;

(d) if not, the reasons therefor;

(e) the amount of debt against SAIL waived off by the Government during the last three years; and

(f) the amount incurred on tours undertaken by the officers of the SAIL during the last three years ?

Answer

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a)to(f): A Statement is laid on the Table of the Lok Sabha.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (F) OF LOK SABHA STARRED QUESTION NO.431 TO ANSWERED ON 17TH APRIL, 2001 TABLED BY SHRI THAWAR CHAND GEHLOT, MP REGARDING BAILING OUT SAIL LOSSES

(a) The financial restructuring package of SAIL approved by Government in February, 2000 inter-alia includes waiver of loans advanced to it from Steel Development Fund (SDF) to a value of Rs.5073 crores and Rs.381 crores from the Govt. of India, Government guarantee of Rs.3,000 crores (with 50% interest subsidy for loan and interest on Rs.1500 crores) for raising funds from the market to finance VRS scheme for reduction of manpower and meeting repayment obligation on past loans.

(b)to(d): SAIL has incurred a loss of Rs.698 crore in the current year (upto December, 2000) against the loss of Rs.2065 crore in the corresponding period of last year showing reduction of loss by 66%.

(e) Amount of debt waived off by the Govt. during last three years is as under:

(Rs./Crs.)

	SDF Loan	Govt. Loan
1. Towards losses of VISL on merger with SAIL		
1996-97	148.94	-
1997-98	99.06	-
1998-99	2.71	-
2. Financial Restructuring of SAIL		
1999-00	5073	381

(f) Travelling expenses incurred by SAIL on tours undertaken by SAIL employees during the last three years are as under:

(Rs./Crs.)

1997-98	38
1998-99	31
1999-00	35